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**City of Chattanooga**

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April 15, 2003

Ms. Sara Kyle, Chairman  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243

**RE:     *Petition of Tennessee American Water Company to  
Change and Increase Certain Rates and Charges so as  
to Permit it to Earn a Fair and Adequate Rate of  
Return on its Property used and Useful in Furnishing  
Water Service to its Customers, Docket No. 03-00118.***

Dear Chairman Kyle:

Enclosed for filing is the original and 13 copies of the City of Chattanooga's Response to Petitioner Tennessee American Water Company's Request for Discovery.

Should you have any questions, please contact me.

Sincerely

A handwritten signature in black ink, appearing to read "Michael A. McMahan", with a long horizontal flourish extending to the right.

Michael A. McMahan  
Special Counsel

MAM/add

Enclosures

cc:     Certificate of Service List

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

**IN RE:**

**PETITION OF TENNESSEE AMERICAN  
WATER COMPANY TO CHANGE AND  
INCREASE CERTAIN RATES AND  
CHARGES SO AS TO PERMIT IT TO  
EARN A FAIR AND ADEQUATE RATE  
OF RETURN ON ITS PROPERTY USED  
AND USEFUL IN FURNISHING WATER  
SERVICE TO ITS CUSTOMERS**

**Docket No. 03-00118**

**CITY OF CHATTANOOGA'S RESPONSE TO  
REQUEST FOR DISCOVERY FROM  
TENNESSEE AMERICAN WATER COMPANY**

Comes now, Intervenor City of Chattanooga and files the following responses to the request for discovery served by Petitioner Tennessee American Water Company ("Petitioner" or "TAWC").

**DISCOVERY REQUEST NO. 1:**

State in detail the legal and factual basis for any objection or opposition the City has with respect to any aspect of the rate increase requested by TAWC in this docket.

**RESPONSE:** The City's concerns that form the basis for its objection or opposition to the rate increase requested by TAWC follow. The City objects to the forty-seven percent increase in the fire hydrant tariff. The City believes that this requested rate increase attempts to negate the settlement reached between the parties in the litigation concerning the eminent domain of TAWC assets by the City of Chattanooga. The City further believes that TAWC's attempted justification of the hydrant tariff is supported by fallacious facts and reasoning. The City believes that the overall rate of return requested by TAWC in the tariff application is unreasonably high considering current economic conditions.

**DISCOVERY REQUEST NO. 2:**

Identify each person whom you expect to call as an expert witness at any hearing in this docket, and for each such expert witness:

- (a) identify the field in which the witness is to be offered as an expert;
- (b) provide complete background information, including the expert's current employer as well as his or her educational, professional and employment history, and qualifications within the field in which the witness is expected to testify, and identify all publications written or presentations presented in whole or in part by the witness;
- (c) provide the grounds (including without limitation any factual bases) for the opinions to which the witness is expected to testify, and provide a summary of the grounds for each such opinion;
- (d) identify any matter in which the expert has testified (through deposition or otherwise) by specifying the name, docket number and forum of each case, the dates of the prior testimony and the subject of the prior testimony, and identify the transcripts of any such testimony;
- (e) identify for each such expert any person whom the expert consulted or otherwise communicated with in connection with his expected testimony;
- (f) identify the terms of the retention or engagement of each expert including but not limited to the terms of any retention or engagement letters or agreements relating to his/her engagement, testimony, and opinions as well as the compensation to be paid for the testimony and opinions;

- (g) identify all documents or things shown to, delivered to, received from, relied upon, or prepared by any expert witness, which are related to the witness(es)' expected testimony in this case, whether or not such documents are supportive of such testimony, including without limitation all documents or things provided to that expert for review in connection with testimony and opinions; and
- (h) identify any exhibits to be used as a summary of or support for the testimony or opinions provided by the expert.

**RESPONSE:** The City has not at this time identified any witnesses to be offered as an expert. In the event such an expert is identified, an appropriate supplemental response will be filed.

**DISCOVERY REQUEST NO. 3:**

Please produce copies of any and all documents referred to or relied upon in responding to TAWC's discovery requests.

**RESPONSE:** The City has not identified any particular documents at this time, but disagrees with various aspects of the direct testimony by TAWC.

**DISCOVERY REQUEST NO. 4:**

Please provide all material provided to, reviewed by or produced by any expert or consultant retained by the City to testify or to provide information from which another expert will testify concerning this case.

**RESPONSE:** See response to Discovery Request No. 2.

**DISCOVERY REQUEST NO. 5:**

Please produce all work papers of any of the City's proposed experts, including but not limited to file notes, chart notes, tests, test results, interview and/or consult notes and all other file documentation that any of the City's expert witnesses in any way used, created, generated or consulted by any of the City's expert witnesses in connection with the evaluation, conclusions and opinion in the captioned matter.

**RESPONSE:** See response to Discovery Request No. 2.

**DISCOVERY REQUEST NO. 6:**

Please produce a copy of all trade articles, journals, treatises and publications of any kind in any way utilized or relied upon by any of the City's proposed expert witnesses in evaluating, reaching conclusions or formulating an opinion in the captioned matter.

**RESPONSE:** See response to Discovery Request No. 2.

**DISCOVERY REQUEST NO. 7:**

Please produce a copy of all documents which relate or pertain to any factual information provided to, gathered by, utilized or relied upon by any of the City's proposed expert witnesses in evaluating, reaching conclusions or formulating an opinion in the captioned matter.

**RESPONSE:** See response to Discovery Request No. 2.

**DISCOVERY REQUEST NO. 8:**

Please produce a copy of all articles, journals, books or speeches written by or co-written by any of the City's expert witnesses, whether published or not.

**RESPONSE:** See response to Discovery Request No. 2.

**DISCOVERY REQUEST NO. 9:**

Please produce any and all documentation, items, reports, data, communications, and evidence of any kind that the City intends to offer as evidence at the hearing or to refer to in any way at the hearing.

**RESPONSE:** The City has to date not identified any documents that it intends to offer as evidence at the hearing, but will respond as required by the Scheduling Order in this case.

**DISCOVERY REQUEST NO. 10:**

Please produce all documents that refer or relate to the subject matter of your response to Discovery Request No. 1.

**RESPONSE:** The City relies upon the documents and testimony produced by TAWC. The City anticipates however that the it will submit documents, presently unidentified, relating to the Insurance Services Organization ("ISO") requirements relating to fire hydrants, semi-annual inspections relating to same, and information relating to deficiencies in the TAWC system identified by ISO inspections. The City expects that it will produce documents demonstrating the financial impact the proposed tariff increase will have on city government.

**DISCOVERY REQUEST NO. 11:**

Please identify by name, address, employer, and current telephone number, all persons having knowledge of the subject matter of your response to Discovery Request No. 1.

**RESPONSE:** Jim Coppinger, Fire Chief, City of Chattanooga, 910 Wisdom Street, Chattanooga, TN 37406, (423) 697-1455

David Eichenthal, City Finance Officer, City Hall, 101 East 11<sup>th</sup> Street, Chattanooga, TN 37402, (423) 425-6200.

Jon Kinsey, former Mayor, Kinsey Probasco & Associates  
100 East 10<sup>th</sup> Street, Chattanooga, TN 37402, (423) 266-4323

Respectfully submitted,

CITY OF CHATTANOOGA, TENNESSEE  
RANDALL L. NELSON, CITY ATTORNEY

BY: 

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### CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document has been served on this the 15<sup>th</sup> day of April, 2003, upon the following:

- ☐ Hand
- ☒ Mail
- ☐ Facsimile
- ☐ Overnight

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MICHAEL A. McMAHAN